

MINUTE ITEM

34. WATER INJECTION SYSTEM, FAULT BLOCKS IV AND V, CITY OF LONG BEACH, WILMINGTON OIL FIELD, LOS ANGELES COUNTY - L.B.W.O. 10,103.

After consideration of Calendar Item 31 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE COMMISSION APPROVES THE COSTS, NOT TO EXCEED \$100,000, TO BE EXPENDED BY THE CITY OF LONG BEACH FROM THE TIDELAND OIL FUND IN THE CITY TREASURY OF LONG BEACH FOR AN ENGINEERING STUDY OF A FAULT BLOCK IV AND V WATER-INJECTION SYSTEM, IN THE WILMINGTON OIL FIELD.

Attachment

Calendar Item 31 (1 page)

CALENDAR ITEM

31.

WATER INJECTION SYSTEM, FAULT BLOCKS IV AND V, CITY OF LONG BEACH,
WILMINGTON OIL FIELD, LOS ANGELES COUNTY - L.B.W.O. 10,103.

On December 11, 1958 (Minute Item 20, page 4397), the State Lands Commission approved the expenditure of \$100,000 by the City of Long Beach for an engineering study of a field-wide water-injection system in the Wilmington Oil Field. This study led to the development of plans for the Fault Block II and III segments of the system, following which the Commission approved the expenditure by the Long Beach Harbor Department of \$3,375,000 for the construction of the Fault Block II and III portion of the system on March 25, 1959 (Minute Item 23, page 4666).

An application has been received for prior approval of the costs to be expended by the City of Long Beach from the Tideland Oil Fund in the City Treasury of Long Beach for an engineering study of a water-injection system for Fault Blocks IV and V. In the opinion of the office of the Attorney General, the use by the City of Long Beach of its own share of tideland oil revenues to finance, engineer, construct and operate a field-wide injection water-supply system in the Wilmington Field is legally unobjectionable in principle.

It is proposed that the City of Long Beach finance and install a field-wide water-injection system in Fault Blocks IV and V to expedite the repressuring of the Wilmington Field as an essential subsidence control measure. As a means of expediting such a program and to provide full factual justification before seeking approval for the major capital investment, it has been requested that the State Lands Commission authorize under Chapter 29, Statutes of 1956, 1st E.S., an expenditure not to exceed \$100,000 for an engineering study of said Fault Block IV and V system.

The total capital outlay from the Tideland Oil Fund for a field-wide water-injection system has been estimated to be \$5,160,000. The desirability of providing a City-owned water system in Fault Blocks IV and V has been discussed with the major operators in these areas.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE THE COSTS, NOT TO EXCEED \$100,000, TO BE EXPENDED BY THE CITY OF LONG BEACH FROM THE TIDELAND OIL FUND IN THE CITY TREASURY OF LONG BEACH FOR AN ENGINEERING STUDY OF A FAULT BLOCK IV AND V WATER-INJECTION SYSTEM, IN THE WILMINGTON OIL FIELD.